Chapter II

Budgetary Management

Chapter II: Budgetary Management

This chapter reviews Rajasthan's budgetary process, revealing significant gaps between budget estimates and actual expenditure, with issues like excess spending, persistent savings, and last-minute fund surrenders. It highlights weaknesses in financial planning, control, and compliance, stressing the need for realistic budgeting, timely fund utilisation, and modern practices like gender and child budgeting.

2.1 Budget Process

In compliance with Article 202 of the Constitution of India, in respect of every financial year, a statement of the estimated receipts and expenditure of the State for that year, called "the Annual Financial Statement (Budget)" is to be laid before the State Legislature. The estimates of the expenditure show 'charged' and 'voted' items of expenditure separately and distinguish expenditure on revenue accounts from other expenditure. Legislative authorization is necessary before incurring any expenditure by the State Government.

As per the State Budget Manual (SBM), the Finance Department is responsible for preparing the annual budget by obtaining estimates from various departments. The departmental estimates of receipts and expenditure are prepared by Controlling Officers on the advice of the heads of departments and submitted to the Finance Department on prescribed dates. The Finance Department consolidates the estimates and prepares the Detailed Estimates called 'Demand for Grants'. The State budget majorly comprises the following documents:

- Annual Financial Statement
- Demand for Grants
- FRBM Statements
- Medium Term Fiscal Plan
- Fiscal Risk Statement
- Other

The Budget process commences with the issue of the Budget Circular, normally in August each year, which guides the Departments in framing their estimates for the next financial year.

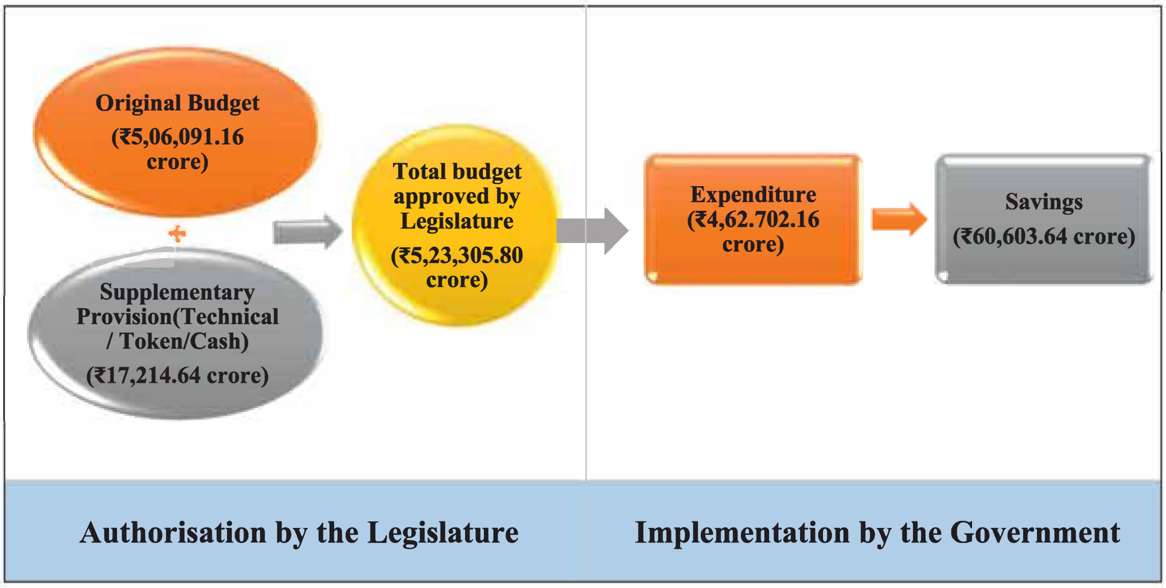
The State Budget is divided mainly into General, Social and Economic services. Rajasthan Budget Manual details the process of Budget preparation, Budget execution and Budget monitoring. Sector-wise budgeting, such as Social Budgeting and Performance Budgeting, reflects innovative budgeting techniques. In Rajasthan, apart from the consolidated budget, the State Government also prepare sub-budgets/statements like Agriculture Budget, Gender Budget statement, Child Budget statement and two types of Performance budget documents i.e. Outcome Budget and Output budget.

Detailed Audit analysis of the allocation of budget and expenditure under Child Budget and Gender Budget is given in **Paragraphs 2.7 and 2.8.**

As soon as the detailed estimates and grants are passed by the Legislative Assembly in accordance with the procedure laid down in Articles 202-204 of the Constitution, Finance Department communicates to all Heads of Departments and other Budget Controlling Officers, the allotments placed at their disposal during the budget year. Finance Department also sends copies of the budget document to the Accountant General. All such information and budgetary data is uploaded on the Integrated Financial Management System by the Finance Department and access to the same is available with the concerned authorities.

Supplementary or additional grant/appropriation provided during the course of the financial year are for meeting expenditure in excess of the originally budgeted amount or for incurring expenditure and the items which were not envisaged in the budget.

Finance Department also reviews requests made for supplementary grants and re-appropriations by departments during the course of the year. Apart from supplementary grant, re-appropriation can also be used to re-allocate funds within a Grant. The total amounts approved by the State Legislature including the original and supplementary budget, expenditure and savings during the year 2024-25 are depicted below:



The State Budget Manual (SBM) stipulates that the estimates of expenditure should be as accurate as possible. An avoidable excess in an estimate is as much a financial irregularity as an excess in the actual expenditure. The budget procedure envisages that the sum provided in an estimate of expenditure on a particular item must be that sum which can be expended in the year and it should neither be more nor less.

2.2 Budget projection and gap between expectation and actual

Efficient management of tax administration/other receipts and public expenditure holds the balance for optimum utilization of resources, strengthen scheme implementation and monitoring capacity and achievement of fiscal targets. Persistent savings/excesses indicate need for improvement in the underlying budgetary processes.

Details of total appropriation obtained from state legislature, actual expenditure and savings are summarized in **Table 2.1**.

Table 2.1: Actual expenditure vis-à-vis budget provision during the financial year 2024-25

(₹ in crore)

Nature of Expenditure		Original Grant/ App.	Supplementary Grant/ App.	Total Budget	Actual expenditure	Savings	Surrender	
							Amount	*Per cent*
Voted	I. Revenue	2,59,637.14	9,669.31	2,69,306.45	2,35,971.04	33,335.41	32,751.49	98.25
	II. Capital	47,494.14	885.66	48,379.80	34,847.40	13,532.40	13,201.60	97.56
	III. Loans & Advances	360.42	104.57	464.99	267.34	197.65	221.01	-
Total		**3,07,491.70**	**10,659.54**	**3,18,151.24**	**2,71,085.78**	**47,065.46**	**46,174.10**	
Charged	V. Revenue	37,923.21	1,633.08	39,556.29	38,734.59	821.70	315.89	38.44
	VII. Capital	5.44	4.18	9.62	9.58	0.04	0.05	100.00
	VIII. Public Debt-Repayment	1,60,670.81	4,917.84	1,65,588.65	1,52,872.21	12,716.44	12,716.44	100.00
Total		**1,98,599.46**	**6,555.10**	**2,05,154.56**	**1,91,616.38**	**13,538.18**	**13,032.38**	96.26
Appropriation to Contingency Fund (if any)		-	-	-	-	-	-	-
Grand Total		**5,06,091.16**	**17,214.64**	**5,23,305.80**	**4,62,702.16**	**60,603.64**	**59,206.48**	

Source: Appropriation Accounts.

Note: The expenditure shown above are gross figures without taking into account the recoveries adjusted in the accounts as reduction of expenditure under Revenue Heads (₹ 5,505.57 crore) and Capital Heads (₹ 4,130.33 crore).

The above table shows saving of ₹47,065.46 crore in voted section and ₹ 13,538.18 crore in charged section resulting in net saving of ₹ 60,603.64 crore. There was an overall savings of ₹ 60,678.50 crore in 63 grants under Revenue Section and 60 grants under Capital Section which was offset by excess of ₹ 74.86 crore in one grant under Capital Section resulting in net saving of ₹ 60,603.64 crore. Further, out of net savings, 2.30 *per cent* remained un-surrendered by the end of financial year 2024-25. Substantial savings of ₹13,532.40 crore in Capital voted section of the budget constituting 28.49 *per cent* of the original budget of Capital voted section indicate that the funds meant for the infrastructure development in the State could not be spent.

Supplementary provision of ₹17,214.64 crore obtained during the year was unnecessary as expenditure during the year did not come even upto the level of original budget. The supplementary provision increased the overall savings by three *per cent*. This indicates that supplementary provisions were made without proper assessment of requirements and also indicative of poor financial management.

Analysis of budget execution during the year reveals weaknesses across all three layers of financial control: Original estimation, Supplementary provisioning, and re-appropriation adjustments as given in the Table below:

Table 2.2: Cumulative impact of savings, supplementary and re-appropriation

Layer	Nature of Variation	₹ Impact (approx.)
Layer 1: Persistent Savings (more than 100 crore in each grant)	Persistent Savings	₹ 40,385.12 crore
Layer 2: Unnecessary Supplementary Provision (10 crore or more in each cases)	Unnecessary Supplementary	₹ 8,409.73 crore
Layer 3: Inefficient/excessive/ unnecessary Re-appropriation in 13 cases	Imprecise estimation of re-appropriation	₹ 412.74 crore
Quantifiable budget variation		**₹ 49,207.59 crore**

The cumulative impact of about ₹ 49,207.59 crore arising from savings, avoidable supplementary provisions and imprecise re-appropriation indicates weaknesses in expenditure estimation, mid-year review of fund requirements and monitoring of expenditure during the year.

The State budget provides three sets of numbers: (i) budget estimates: an estimate for the upcoming financial year, (ii) revised estimates: revision in the budget estimates for the ongoing financial year, and (iii) actuals: the final audited amount for the previous year. The State legislature approves the budget for the coming year based on the budget estimates. The revised estimates may provide a more realistic picture of the government's finances in the ongoing year as they are made with reference to the actual transactions already recorded that year. Actual may fall short or exceed budget estimates, and this comparison helps to understand the credibility of a proposed budget.

Trends in the Original Budget, Revised Estimate, and Actual Expenditure for the period from 2020-21 to 2024-25 are given in **Table 2.3.**

Table 2.3: Original Budget, Revised Estimate and Actual Expenditure during FY 2020-21 to 2024-25

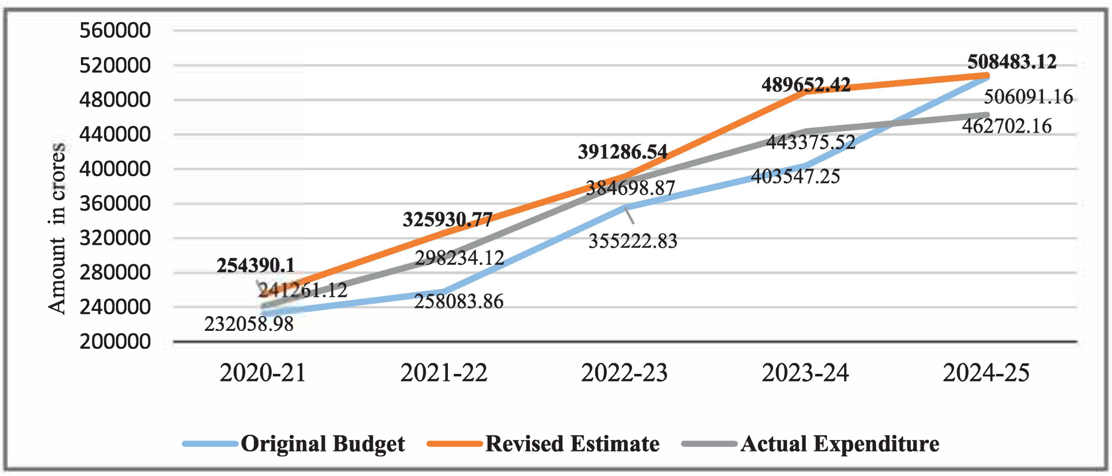
(₹ in crore)

	2020-21	2021-22	2022-23	2023-24	2024-25
Original Budget	2,32,058.98	2,58,083.86	3,55,222.83	4,03,547.25	5,06,091.16
Supplementary budget	36,253.96	72,779.09	52,734.39	1,01,422.88	17,214.64
Total budget (TB)	2,68,312.94	3,30,862.95	4,07,957.22	5,04,970.13	5,23,305.80
Revised Estimate (RE)	2,54,390.10	3,25,930.77	3,91,286.54	4,89,652.42	5,08,483.12
Actual Expenditure (AE)	2,41,261.12	2,98,234.12	3,84,698.86	4,43,375.52	4,62,702.16
Savings	27,051.82	32,628.83	23,258.36	61,594.61	60,603.64
Percentage of supplementary to the original provision	*15.62*	*28.20*	*14.85*	*25.13*	*3.40*
Percentage of overall saving/excess to the overall provision	*10.08*	*9.86*	*5.70*	*12.20*	*11.58*
TB-RE	13,922.84	4,932.18	16,670.68	15,317.71	14,822.68
RE-AE	13,128.98	27,696.65	6,587.67	46,276.90	45,780.96
(TB-RE) as % of TB	*5.19*	*1.49*	*4.09*	*3.03*	*2.83*
(RE-AE) as % of TB	*4.89*	*8.37*	*1.61*	*9.16*	*8.75*

Source: Annual Financial Statement and Appropriation Accounts

Above table shows that supplementary provision of ₹ 17,214.64 crore made during 2024-25 constituted 3.40 *per cent* of the original provision as against 25.13 *per cent* in the previous year

Chart 2.1 Trend showing BE, RE and Actuals



From the above Table and Chart, it can be seen that from 2020-21 to 2024-25, the Revised Estimate (RE) was always higher than the Original Budget of the State. The gap between the RE and the TB decreased from ₹ 16,670.68 crore during 2022-23 to ₹ 14,822.68 crore during 2024-25.

Further, it can also be observed that over the period 2020-25, the Revised Estimate (RE) was always more than the Actual Expenditure (AE) of the State. The gap between the RE and the AE decreased from ₹ 27,696.65 crore 2021-22 to ₹ 6,587.67 crore in 2022-23 but again increased to ₹ 45,780.96 crore in 2024-25. In terms of percentage, the AE was 1.61 *per cent* lower than the RE in 2022-23, which increased to 8.75 *per cent* in 2024-25.

This reflects that budgetary allocations were based on inaccurate proposals as Budget Estimates of the State were always inflated, and the Actual Expenditure was less than the total budgetary provisions made during 2020-25. As such, the supplementary provisions during the year 2024-25 proved unnecessary since the expenditure did not come up even to the level of original budget provisions, while during 2020-2024 the supplementary provisions were excessive.

This indicates that a proper analysis was not done before budget formulation.

1. Budget–Expenditure Divergence

- **Budgeted provisions exceeded actual spending capacity in multiple years**

2. Limited Effectiveness of RE Alignment

- **Revised Estimates did not consistently reflect realistic expenditure trends**

3. Implications for Legislative Financial Oversight

- **Substantial savings may affect the effectiveness of budgetary control**

4. Supplementary–Savings Mismatch

- **High supplementary allocations followed by notable savings in certain years indicate scope for improving expenditure planning**

2.2.1 Component/Service wise analysis of Budgetary provisions and expenditure

Component-wise analysis of the Budget and Expenditure for the FY 2024-25 is summarized in **Table 2.4.**

Table 2.4: Component-wise Budget and Expenditure for the year 2024-25

(₹ in crore)

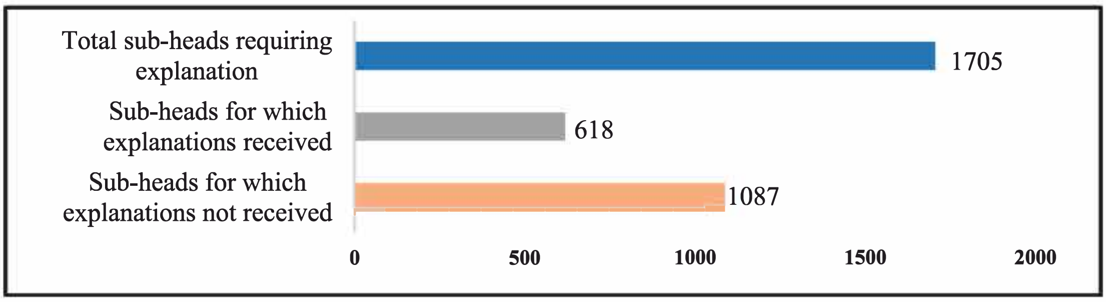
Component	Budget	Expenditure	Percentage of Total Budget	Percentage of Total Expenditure	Percentage of expenditure against Budget
(1)	(2)	(3)	(4)	(5)	(6=3/2*100)
Committed Expenditure	3,66,823.74	3,06,626.95	70.10	66.27	83.59
State Schemes	1,13,097.65	1,12,811.24	21.61	24.38	99.75
Central Share for CSS	21,257.15	21,148.93	4.06	4.57	99.49
State Share for CSS	19,079.44	19,067.22	3.65	4.12	99.94
EAP - Externally Aided Projects	3,047.82	3,047.82	0.58	0.66	100.00
Total	**5,23,305.80**	**4,62,702.16**			**88.42**

Above table shows that more than two third portion of the state budget was provisioned for committed expenditure mainly for salary, pension, subsidy, interest payment, grant-in-aid, other *etc.* and 16.41 *per cent* budget provision for committed expenditure remained unutilized during the year.

The Accountant General (A&E), Rajasthan sought explanations from the budget controlling officers on the variations in expenditure i.e. savings/excesses in 1705 sub-heads. However, explanations in respect of 1087 sub-heads were not received (November 2024).

The summary of explanations received in case of variations in Appropriation Accounts is depicted in **Chart 2.2.**

Chart 2.2: Summary of explanation for variations



Source: Information supplied by office of the Pr. Accountant General (A& E)

Absence of explanations for variations between the budgeted allocations and their utilization limits legislative controls over budget as a means of ensuring financial accountability of the Government.

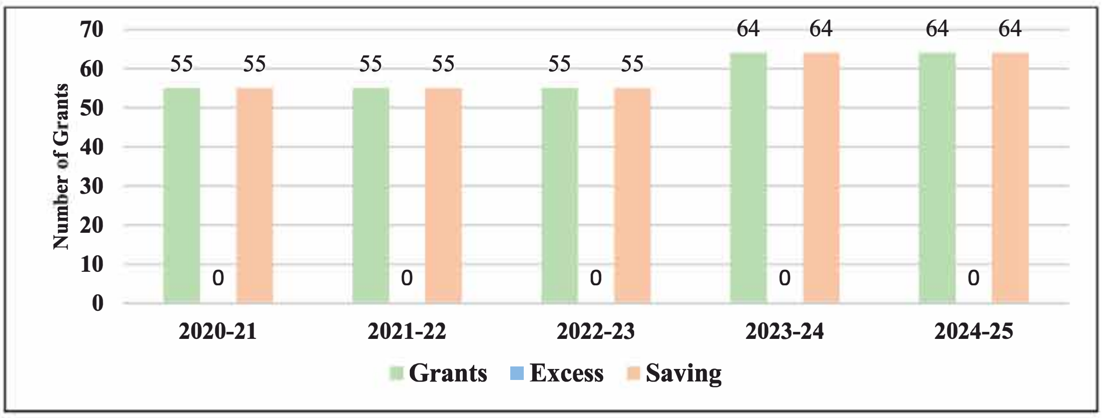
2.3 Budget marksmanship

Expenditure Composition Outturn

Expenditure Composition Outturn measures the extent to which re-allocations between the main budget categories during execution have contributed to variance in expenditure composition.

A year-wise analysis of grants, excesses, and savings provides valuable insights into the efficiency of budget execution and financial management by the State. It has been depicted in **Chart 2.3.**

Chart 2.3: Year-wise Grants, Excesses, and Saving



Source: Appropriation Account

The data indicates that while expenditure controls prevented excesses, the uniform incidence of savings across all Grants points to structural deficiencies in budget formulation and realistic demand estimation. The expenditure composition outturn for the FY 2024-25 is given in **Table 2.5**.

Table 2.5: Expenditure composition overall deviation FY 2024-25

<table>
<tr><th>Section</th><th>Overall Deviation
(per cent)</th><th>Range of Deviation
(per cent)</th><th>Number of Grants</th></tr>
<tr><td rowspan="3">Revenue (voted)</td><td rowspan="3">(-) 12.84</td><td>0 to ± 25</td><td>49</td></tr>
<tr><td>± 25 to ± 50</td><td>10</td></tr>
<tr><td>± 50 to ± 100</td><td>2</td></tr>
<tr><td rowspan="4">Capital (Voted)</td><td rowspan="4">(-)28.69</td><td>0 to ± 25</td><td>10</td></tr>
<tr><td>± 25 to ± 50</td><td>22</td></tr>
<tr><td>± 50 to ± 100</td><td>24</td></tr>
<tr><td>≥ 100</td><td>5</td></tr>
<tr><td rowspan="4">Revenue (Charged)</td><td rowspan="4">(-) 2.17</td><td>0 to ± 25</td><td>22</td></tr>
<tr><td>± 25 to ± 50</td><td>7</td></tr>
<tr><td>± 50 to ± 100</td><td>21</td></tr>
<tr><td>≥ 100</td><td>5</td></tr>
<tr><td rowspan="2">Capital (Charged)</td><td rowspan="2">(-) 7.91</td><td>0 to ± 25</td><td>3</td></tr>
<tr><td>≥ 100</td><td>1</td></tr>
<tr><td colspan="4">No provision was, however, made in respect of three grants of Revenue-Voted, nine grants of Revenue-Charged, three grants of Capital Voted and sixty grants of Capital-Charged section</td></tr>
</table>

In Revenue (voted) section, deviation in outturn compared with BE was (-) 12.84 *per cent*. This was mainly due to deviation between 0 and ± 25 *per cent* in 49 grants and between ± 25 to ± 50 in ten grants, between ±50 *per cent* to ±100 *per cent* in two grant. No provision was, however, made in respect of three grants of the Revenue voted section.

Similarly, in Capital section, deviation in outturn compared with BE was (-) 28.69 *per cent*. This was mainly due to deviation between ± 25 *per cent* to ± 50 *per cent* in 22 grants between ± 50 *per cent* to ± 100 *per cent* in 24 grants. No provision was however, made in respect of three grants of the Capital voted section.

2.4 Appropriation Accounts

Appropriation Accounts are accounts of the expenditure of the Government for each financial year, compared with the amounts of grants voted and appropriations charged for different purposes as specified in the schedules appended to the Appropriation Act passed under Article 204 of Constitution of India. These Accounts depict actual expenditure as against the original budget provision, supplementary grants, surrenders and re-appropriations distinctly in gross basis.

Audit of appropriations by the CAG seeks to ascertain whether the expenditure actually incurred under various grants is in accordance with the authorisation given under the Appropriation Act and that the expenditure required to be charged under the provisions of the Constitution (Article 202) is so charged. It also ascertains whether the expenditure incurred is in conformity with the laws, relevant rules, regulations and instructions.

2.5 Budgetary and accounting process

2.5.1 Expenditure incurred without authority of law

No money shall be withdrawn from the Consolidated Fund of the State except under appropriation made by law passed in accordance with the provisions of Article 204 of the Constitution. As per para 24.1 of SBM, expenditure shall neither be incurred in excess of the sanctioned allotment nor on the items for which no provision has been made in the budget. One case of expenditure incurred without provision pertaining to one grant, where ₹ 2.98 lakh was incurred, was noticed which is given in **Table 2.6** below**.**

Table 2.6: Cases where expenditure was incurred without Budget provision

(₹ in lakh)

S. No.	Grant no. and name	Head of accounts	Provisions				Actual expen-diture	Excess Expenditure
			Original	Supple-mentary	Re-appropri-ation	Total		
1.	42-Water Resources and Indira Gandhi Nahar Project Department	4700-03-001-02-02 Thorough the Chief Engineer, Water Resources	₹ 1000	0.00	(-) ₹ 1,000	0.00	2.98	2.98
	Total		**₹ 1000**	**0.00**	**(-) ₹1,000**	**0.00**	**2.98**	**2.98**

Source: Appropriation Account

Reasons for expenditure under this head without any budget provision have not been intimated (November 2025). Expenditure without budget is violative of financial regulations as well as the will of the Legislature. This is also indicative of lack of financial discipline in Government Departments.

2.5.2 Excess expenditure and its regularisation

As per Article 205 of the Constitution of India, it is mandatory for a State Government to get excesses over grants/appropriations regularised by the State Legislature. Although no time limit for regularisation of expenditure has been prescribed under the Article, the regularisation of excess expenditure is done after the completion of discussion of the Appropriation Accounts by the Public Accounts Committee.

A. Excess expenditure during current year

As per para 24.1 of SBM, expenditure shall neither be incurred in excess of the sanctioned allotment nor on the items for which no provision has been made in the budget. Though there was no excess in the overall grant, however, there was an excess disbursement of ₹ 74.86 crore over the authorisation made by the State Legislature under one Grant during 2024-25 which requires regularisation under Article 205 of the Constitution as indicated in **Table 2.7** below**:**

Table 2.7: Excess expenditure during 2024-25 requiring regularisation

(₹ in crore)

Grant No./ Appropriation	Grant/Appropriation details	Amount of excess expenditure
44	Public Works Department (Capital - Voted)	74.86
Total		**74.86**

Source: Appropriation Accounts

B. Regularisation of excess expenditure of previous financial years

Excess disbursements pertaining to previous years pending regularization from State Legislature are shown in Table below.

Table 2.8: Excess expenditure relating to previous years requiring regularisation

(₹ in crore)

Year	Grant No./ Appropriation	Grant/Appropriation details	Amount of excess required to be Regularised
2022-23	21	Road and Bridges (Revenue Voted)	142.20
	-	Public Debt (Capital Charged)	20,927.41
2023-24	22	Higher Education Department (Revenue-Charged)	1.32
	44	Public Works Department (Capital-Voted)	76.41
Total			**21,147.34**

Source: Appropriation Accounts

The persistence of unregularised excess expenditure, particularly the substantial excess under Public Debt, indicates deficiencies in budget estimation and fiscal forecasting. To strengthen the legislative oversight over the expenditure from Consolidated Fund of State, these excess expenditures need to be regularized at the earliest and measures to contain recurrence of such excess may be taken by the State Government. Non-regularization of excess expenditure is in contravention of constitutional provisions and defeats the objective of ensuring accountability over utilization of public money.

The State Government has not initiated the process for regularization of excess expenditure for the years 2022-23 to 2023-24.

2.5.2.1 Persistent excess expenditure in certain Grants

Audit scrutiny revealed that in one case under one grant, there was persistent excess expenditure of more than ₹ five crore in four out of last five years in the sub-head, as detailed in **Table 2.9.**

Table 2.9: Persistent excess expenditure during FYs 2020-21 to 2024-25

(₹ in crore)

S. No.	Description of Grant/Appropriation		2020-21	2021-22	2022-23	2023-24	2024-25
1.	**Grant No.-44- Public Works Department** 5054- Capital Outlay on Road and Bridges 02- Strategic and Border Roads 337-Road Works 03- Through the Border Road Development Board	Grant Expenditure Excess	0.00 16.65 16.65	₹1,000 0.00 (-)	0.00 4.12 4.12	414.62 506.30 91.68	298.84 426.91 128.07

Source: Appropriation Accounts

For the excess expenditure during 2023-24, the Public Works Department intimated that under the grant "44-Public Works Department" was mainly due to excess booking of expenditure for road works by Border Road Development Board. The Board intimated that these works were executed directly at the international borders as per the sanctions of Government of India and expenditure was booked after the closing of the financial year without availability of budget provision for these works.

However, no reasons for excess expenditure over authorisation from the Consolidated Fund of the State during2024-25 were furnished by the Finance Department to the AG (A&E), Rajasthan.

Expenditure incurred in excess of Budget provision within grants during the year

As per para 8.5(5) of SBM, Budget Controlling Officer will ensure that expenditure does not exceed the budget allocation. As per para 24.1 of SBM, expenditure shall neither be incurred in excess of the sanctioned allotment nor on the items for which no provision has been made in the budget. As per para 23.15.5 of SBM, it is essential that the statement should be prepared with utmost care, as inaccurate statements of excesses and savings not merely cause inconvenience to the Finance Department but may also lead to excess expenditure, for which concerned Budget Controlling Officer will be held responsible. However, it was observed that under 29 Budget Heads expenditure was incurred in excess of the available budget provision, though there was no excess in the overall grant. Details are given in Table below.

Table 2.10: Details of expenditure incurred in excess of Budget provision

(₹ in crore)

S. No.	No. and Name of Grant	Budget Head	Total provision (O+S+R)	Expendit-ure	Excess Expend-iture
1.	3-Interest Payment	2049-01-123-01-Interest on loan from National Small Saving Fund	725.03	726,47	1.44
2.		2049-03-104-01-22-Interest of General Provident Fund of State Employees appointed from 2004	532.64	532.70	0.06
3.	7-Council of Ministers	2013-105-01-03-Amount of discretionary grant by other Ministers	0.10	0.13	0.03
4.	9-Election Department	2015-105-01-Election related charges	293.99	299.91	5.92
5.		2015-106-01-Election related charges	60.57	60.66	0.09
6.	15-Pension	2071—01-111-01-01-Pension and Family Pension to Legislators of Rajasthan	33.15	33.17	0.02
7.	16-Revenue Department	2053-094-02-Tehsil Offices	395.47	395.50	0.03
8.	17-General Administration Department	2235-60-107-01-Pension to freedom fighters and their dependents etc. through the General Administration Department	9.99	10.14	0.15
9.	18-Home Department	4055-207-01-03-Wireless police	7.01	7.07	0.06
10.	19-Jail Department	2056-001-01-01-Head Office and Regional Offices	11.75	11.91	0.16
11.	28-Medical Education Department	4210-03-105-07-03-Medical College, Udaipur	0.03	0.10	0.07
12.	30-Tribal Area Development	4702-796-04-01-Water Harvesting Structure	159.78	159.87	0.09
13.		2401-796-73-05-National Agriculture Extension Mission E-Governance Scheme in Agriculture	0.14	0.35	0.21
14.	35-Minority Affairs Department	2225-04-277-01-01-Grant for Anuprati Yojana	8.56	9.24	0.68
15.	36-Disaster Management and Relief Department	2245-02-106-08-01- Repairs and Restoration of Roads	142.22	142.60	0.38
16.		2245-02-107-02-01-Repairs of Government Office buildings affected by Flood	19.98	22.63	2.65
17.	41-Public Health and Engineering Department	2215-01-102-03-Maintenance under Janta Jal Yojana	262.79	262.99	0.20
18.	42-Water Resources and Indira Gandhi Nahar Project Department	2700-05-001-01-01-Indira Gandhi Nahar Feeder	8.70	8.73	0.03
19.		2700-45-800-01-Other Expenditure	15.57	15.62	0.05
20.		4700-80-001-01-01-Rajasthan Water Sector Re-Structuring Project for Desert Area	270.27	270.39	0.12

S. No.	No. and Name of Grant	Budget Head	Total provision (O+S+R)	Expendit-ure	Excess Expend-iture
21.		4701-80-800-03-01-Construction Work	19.41	20.33	0.92
22.	43-Command Area Development Department	2705-101-01-06-Agriculture Expansion (State-II)	3.06	3.08	0.02
23.	44-Public Works Department	3054-02-337-01-02-Maintenance and Restoration	89.25	127.50	38.25
24.		5054-03-337-11-Rajasthan Highways Development Project-I (ADB)	680.09	682.06	1.97
25.		5054-02-337-03-Through the Border Road Development Board	298.84	426.91	128.07
26.	45-Forest and Environment Department	4406-01-101-15-01-Plantation	2.27	2.30	0.03
27.	51-Special Component plan for welfare of scheduled castes	2406-01-789-05-Climate Change and Prevention of desert expansion	6.35	6.40	0.05
28.	59-Tourism Department	3452-80-001-01-01-Administrative Expenditure	18.14	18.17	0.03
29.		3452-80-800-02-Tourist Information and Publicity	66.21	66.28	0.07

Source: Detailed Appropriation Accounts

Excess expenditure during the year was largely concentrated in Public Works Department, particularly under Border Road Development Board and Maintenance and Restoration heads. The remaining excesses were marginal and largely technical in nature; however, even small deviations reflect the need for stricter real-time expenditure monitoring and timely recourse to supplementary provisions to maintain budgetary discipline.

2.5.3 Supplementary Grants rendered non-essential

Article 205 of the Constitution prescribes the requirement of a Supplementary or Additional Grant or Appropriation to cater to the requirements in excess of the original provisions. Para 24.2 of the SBM stipulates that during the course of a financial year, if the amount provided for the purpose is found to be inadequate or a need arises for an expenditure during the course of the year on some object or service for which no provision has been made, a supplementary grant can be sanctioned by the Legislature.

The State Legislature approved supplementary provision (February 2025) of ₹ 17,214.64 crore in 54 Grants for the year 2024-25. It was noticed that in 21 instances (more than ₹ 10 crore in each case) even though the supplementary provisions of ₹ 8,409.73 crore were made (***Appendix 2.1***), the expenditure did not even come up to the level of original provisions during the year 2024-25.

The head-wise position of supplementary provisions in grant is given in Table below where the total supplementary provision was later found unnecessary.

Table 2.11: Head-wise unnecessary supplementary provision

(₹ in crore)

S. No.	Grant no.	Head	Original Provi-sion	Supple-mentary	Actual Expenditu re	Savings out of original savings	Reasons
1	17-General Administrative Department	2070-114-01-State Garage and Automobile department	78.90	10.05	73.96	4.94	Non-recruitment on new post and post remaining vacant, non-receipts of approval from the competent level.
2	20-Elementary Education Department	4202-01-201-01-90-Construction Work	₹ 1,000	3.86	0.00	₹1,000	Non-transfer of amount for repairing of school due to non-issue of sanction.

S. No.	Grant no.	Head	Original Provision	Supplementary	Actual Expenditure	Savings out of original savings	Reasons
3		4202-01-201-15-01-Capital Expenditure under schemes in Government Schools	158.90	65.33	87.34	71.56	Less release of amount against sanctioned amount under PM Shri Yojana.
4	21-Secondary Education Department	2202-02-101-01- General Expenditure	10.00	6.00	8.56	1.44	Non-receipt of sanctions from Government.
5	36-Disaster Management and Relief Department	2245-08-101-01-04-Protection and Prevention from floods, hailstorms etc.	157.20	552.20	0.00	157.20	Non-formation of technical committee for protection and prevention from flood, hailstorms etc.
6	38-Information and Public Relation Department	4220-60-101-02-90-Construction Work	3.00	0.63	2.20	0.80	Less expenditure on construction work.
7	39-Urban Development and Housing Department	2217-80-191-05- Grant to Jaipur Development Authority	₹ 2000	44.95	0.00	₹ 2000	Reasons have not been intimated by the department
8	44-Public Works Department	5054-04-337-17-06-NABARD RIDF XXX (Road Upgradation Project)	206.07	92.62	197.26	8.81	Reasons have not been intimated by the department
9	45-Forest and Environment Department	2406-01-001-02-Subordinate and Efficient Staff	1.80	0.47	1.67	0.13	Reasons have not been intimated by the department
10	47-Animal Husbandry and Fisheries Department	4403-101-11-01-Construction work	15.42	13.33	13.08	2.34	No expenditure on construction work
11	48-Horticulture Department	2401-119-26- For conversion from flow irrigation to drip irrigation (Pradjahmantri Krishi SinchaiYojana-Micro Irrigation)	303.35	54.06	281.72	21.63	Reasons have not intimated by the department
12	50-Co-operative Department	2425-800-02- Interest grant to good Loanees of Co-operative Societies	336.00	70.00	336.00	0	Reasons have not been intimated by the department
13	61-Science and Technology Department	3425-01-800-12-01-Establishment Expenditure	8.54	0.51	7.87	0.67	Post remaining vacant and less expenditure by sub-centre, Jaipur.
		Total	**1279.18**	**914.01**	**1009.66**	**269.52**	

Source: Appropriation Accounts

Above table shows that under 12 Department/grants, ₹ 914.01 crore was obtained as supplementary grants in various heads, but entire supplementary grant proved unnecessary because the expenditure did not even come up to the level of original provisions.

The supplementary provisions under the selected heads were rendered unnecessary due to non-receipt of sanctions, administrative inaction, lack of technical preparedness, and weak implementation capacity. As can be seen from the above table, in 13 cases, substantial allocations remained wholly unutilised. The pattern indicates deficiencies in mid-year expenditure assessment and highlights the need for stricter scrutiny before seeking supplementary grants.

Similarly, supplementary provisions of ₹ 8,663.31 crore in 13 grants (more than ₹ 10 crore in each case) proved excessive as full amount of supplementary provisions could not be utilized. The grant-wise and specific head-wise position of supplementary provisions in grant where the total supplementary provision was later found excessive or inadequate is given in ***Appendix 2.2.***

Occurrence of such cases every year implies that the Budget Division is not paying enough attention to avoid unrealistic budget formulation.

This indicates that supplementary grants were obtained without proper assessment of adequacy of original provision and contributed to increase in overall budgetary savings during the year. This also indicates that supplementary provisions were made without requirement by concerned Drawing and Disbursing Officers/Chief Controlling Officers.

Selected Grant-wise unnecessary supplementary provisions

During the year two grants, Grant 41 (Public Health and Engineering Department) and Grant 46 (Agriculture Department) were selected for detailed review. The position of unnecessary supplementary provisions in these two grants is discussed below.

During the Grant Review of Grant 41 and Grant 46**,** audit observed that the supplementary provisions obtained were unnecessary**,** as the actual expenditure did not even reach the level of the original provision, resulting in substantial savings, as detailed in **Table 2.12**.

Table 2.12: Unnecessary supplementary provisions under selected Grants

(₹ in crore)

Grant No	Original	Supplementary	Actual Expenditure	Savings
41-Public Health and Engineering (Capital Voted)	4,084.50	98.53	3,634.38	548.65
46-Agriculture (Revenue - Voted)	3475.16	70.18	2525.28	1.020.06
46-Agriculture (Capital -Voted)	149.59	54.72	148.80	55.51

Source: Appropriation Accounts

In a subhead under Grant-46**,** "6401-800-09-01-" against an original provision of ₹1,000, a supplementary demand of ₹50 crore was obtained for '*Loans to Maharana Pratap Agriculture Technical University, Udaipur'*. However, the actual expenditure was Nil, leading to savings of ₹ 50 crore which was surrendered on 31 March 2025. The department attributed the savings to availability of previous year Loan amount with the university.

These types of unrealistic budgets should be scrutinized by the Finance Department (Budget), GoR before approval of supplementary grants to the departments concerned.

2.5.4 Injudicious re-appropriation

Re-appropriation is transfer of funds within a grant from one unit of appropriation to another unit where additional funds are needed. As per Para 23.3 of SBM, re-appropriations are permissible only when it is known or anticipated that appropriation for the unit from which funds are diverted will not be utilized in full or that savings can definitely be affected in it. During 2024-25, re-appropriation orders under 64 grants amounting to ₹ 20,908.42 crore were issued. All the re-appropriation orders were issued on 31 March 2025.

It was noticed that in 13 cases, re-appropriation proved insufficient/excessive or injudicious as detailed in ***Appendix 2.3***. This appendix reveals three distinct control failures in re-appropriation management: (i) reduction despite emerging excess, (ii) injudicious augmentation resulting in savings, and (iii) inadequate augmentation leading to final excess.

In one scheme, reduction of provision by ₹ 24.91 crore through re-appropriation orders effected by department proved injudicious as the actual expenditure was in excess of the re-appropriated provision. The augmentation of provision through re-appropriation by ₹ 63.93 crore proved unnecessary in six cases as the expenditure was less than the total available provision or did not come up to the level of original/supplementary budget provision and excessive re-appropriation in three cases. Similarly, re-appropriation in three cases by ₹ 134.50 crore was insufficient as the expenditure was more than the total available provision.

The DDO/CCOs concerned intimated that funds were received through re-appropriation for maintenance & repair work, accelerated progress of work and repair of government office building affected by flood in the districts as per requirement. Further, detailed reasons for final excess/savings were not intimated in respect of some heads by the concerned authority.

The above instances are indicative of the fact that the budget controlling officers did not adequately access the requirements and did not have updated information regarding expenditure before re-appropriation.

2.5.5 Unspent amount and surrendered appropriation and/or Large Savings/Surrenders

Budget proposals should strive to optimize all foreseeable expenditure to appropriate spending levels to balance the quality of expenditure and reduce underutilization of budgeted funds. Timely surrenders by the spending units are an important mechanism for optimal reallocation within the approved budget.

Paragraph 13.7 of the SBM prescribes that actual expenditure incurred during the last three years and the revised estimates for the current financial year, should be taken into consideration for preparing estimates for the ensuing financial year. Past figures should be used to identify any noticeable tendency for expenditure to rise or decline, any abnormal feature during past years, any recognizable regularity in movement of expenditure and any special event likely to arise with the potential to impact expenditure significantly.

Substantial Savings

The analysis of grants and appropriations showed that in five cases (under five grants) during the year 2024-25, saving of ₹ 1,177.62 crore (excluding surrender) exceeded ₹100 crore in each case. Grant-wise/ Head wise final savings under various grants is given in ***Appendix 2.4.***

The concerned DDO/CCO's intimated reasons of savings as less expenditure on repair & maintenance, post remaining vacant and less expenditure on construction work. Further, savings under Youth Affairs and Sports Department was due to deposit of ₹ 241.91 crore through challan by Rajasthan Youth Board on 27 March 2025 because the plan of construction of youth hostel building was cancelled. Detailed reasons for final savings in remaining grants have not been intimated by the concerned authority.

It was further noticed that in two grants no expenditure was incurred during the year 2024-25 as given in **Table 2.13**.

Table 2.13: Entire grant remaining unutilised during the financial year 2024-25

(₹ in crore)

Sl. No.	Number and Name of grant	Amount
1	57-Petroleum Department (Capital – Voted)	400.00
2	58- Mines Department (Capital – Voted)	7.87
	Total	**407.87**

Source: Appropriation Accounts

The concerned DDO/CCO's intimated that non-furnishing of map and proper technical estimates for office building by the concerned offices caused non-clearance of budget provision and non-receipts of approval from the GoI for revised project cost resulting in nil investment.

Selected Grant-wise substantial savings

During the Grant Review of Grant 41 and Grant 46, audit observed substantial savings of ₹10 crore and above under various heads as detailed below.

Table 2.14: Substantial savings noticed under various sub-heads in these grants

(₹ in crore)

S. No.	Name of Head/Scheme	Total (O+S)	Expenditure	Savings	Percentage Savings
	Grant No. 41				
1.	2215-02-001-04 Shilp Shala	22.91	10.72	12.19	53.21
2.	4215-01-101-01-17 Replacement of Old and environment contaminating pipelines and for facility of clean drinking water to consumers	20.40	5.86	14.54	71.27
3.	4215-01-101-11-26 Dewas Water Supply Scheme-III and IV (Urban)	119.35	14.69	104.66	87.69
4.	4215-01-102-21 Janta Jal Yojana	20.00	7.13	12.87	64.35
5.	4215-01-102-99-13 Chambal-Bhilwara Cluster Project (NABARD)	13.74	1.29	12.45	90.61
6.	4215-01-102-99-21 Nagaur Lift Scheme Stage- I	20.70	1.18	19.52	94.30
	Grant no. 46				
7	2401-102-01-05 National Food Security Mission-Oil Seed	26.28	5.43	20.85	79.34
8	2401-109-20-01 Through Agriculture Department	13.60	00.00	13.60	100.00
9	2401-110-02 Through the agency of Crop Insurance Agriculture Department	1,400.00	718.10	681.90	48.71
10	2401-196-06-26 National Mission on Agriculture Extension - Agriculture Engineering	54.42	20.18	34.24	62.90
11	2401-196-06-37 National Food Security Mission Nutritious Grain	75.90	29.68	46.22	60.90
12	2401-800-27-01 Rashtriya Krishi Vikas Yojana (S.C.A)	59.72	30.77	28.95	48.48
13	2401-800-37-01 Pradhanmantri Krishi Sinchai Yojana	68.07	31.49	36.58	53.74
14	2435-60-800-02-01 Assistance to Rajasthan State Agriculture Marketing Board	79.40	6.79	72.61	91.45

Source: Detailed Appropriation Accounts

Public Health and Engineering Department stated (December 2025) that savings were mainly due to posts remaining vacant, non-release of sanctions and work orders, forest clearances issues, slow progress of work, land acquisition issues and matter pending in court etc.

Agriculture Department stated (December 2025) that savings were mainly due to less/non release of sanction/ fund from GoI, non-transfer of fund due to non-availability of UCs, non-finalization of activities of schemes, new income expenditure system SNA Sparsh in the CSSs started from November 2024 and non-release of second mother sanction from GoI etc.

Substantial savings against the budget allocation indicate that the provisions of SBM regarding budget formulation/preparation of demands of grants and monitoring of expenditure were not adhered to. This also indicates poor monitoring over progress of work at the level of the Department.

Further, in seven subheads (more than ₹10 crore) of the two selected grants, the entire provision was surrendered as detailed below.

Table 2.15: Non-utilisation of entire provision under various Programme/Schemes

(₹ in crore)

S. No.	Name of Head	Budget provision	Expend-Iture	Savings
	Grant No-41			
1.	4215-01-101-11-22 Parwan Akavad Drinking Water Project, District Banra, Jhalawar, Kota (Urban Part)	25.28	0.00	25.28
2.	4215-01-101-11-23 Navnera Water Supply Project District Kota and Bundi (Urban Part)	43.55	0.00	43.55
3.	4215-01-102-99-03 Subsidiary Activities of Jal Jeevan Mission	40.00	0.00	40.00
4.	4215-01-102-99-10 Beawar-Jawaja Cluster Distribution	10.35	0.00	10.35
5.	4215-01-102-99-18 Scheme for providing of Drinking Water to Bhinmal and 256 Villages	13.74	0.00	13.74
	Grant No 46			
6	2401-109-20-01 Through Agriculture Department	13.60	00.00	13.60
7	6401-800-09-01 Loans to Maharana Pratap Agriculture Technical University, Udaipur	50.00	00.00	50.00

Source: Detailed Appropriation Accounts

Public Health and Engineering Department stated (December 2025) that non-utilisation of provision was due to non-issue of work orders for drinking water projects. It was further stated that provisions have been made, as per the direction of Finance Department to provide financial support to the Jal Jeevan mission activities, in case RWSSC (executive agency) requires funding for the same.

Agriculture Department stated (December 2025) that non-utilisation of funds was due to non-finalization of activities of the schemes.

Entire budget provision under grant converted to savings indicates that the budget estimates are not prepared realistically. This indicates that the provisions of Chapter 13 of the SBM related to estimates of expenditure were not followed during preparation of budget estimates of expenditure by the Departments and budget controlling officers of these grants, which has resulted in huge overall net savings of ₹ 60,603.64 crore.

Persistent Savings

Persistent saving refers to continuous saving of ₹ 100 crore in Budget head against provision in the last three years. It was observed in 35 cases under 26 grants that there was persistent saving exceeding ₹ 100 crore in each case (***Appendix 2.5)*** during 2022-23 to 2024-25.

As per reasons furnished by the concerned department, persistent savings were mainly due to less/non-release of share/fund by GoI/GoR. Other reasons were, less transfer of funds, non-submission of UCs, less release of sanction (Financial and Administrative) under various schemes, non-commencement of construction work and slow progress of work etc. Persistent savings indicate recurring issues of unrealistic estimates of the anticipated expenditure during the period, poor control over expenditure and deficient financial monitoring.

The trend of persistent savings has been highlighted in the C&AG's State Finances Audit Report every year, but no corrective measures had been taken by the concerned departments to correct this situation.

Further, it was also noticed that there were instances of unnecessary provisions being made continuously for the last three years. Such instances are given in Table below.

Table 2.16: Cases in which the entire provision remained unutilized during last three years

(₹ in crore)

S. No.	Grant No. and Name of the Department	Head of Account and Name of the New scheme	2022-23	2023-24	2024-25
1.	16- Revenue Department	2029-103-(04)-[02] Land Settlement Department	₹ 6000	16.29	7.50
2.	18- Home Department	4055-207-(01)-[01] Police Modernization Crime Branch	5.24	1.20	1.40
3.	25- Art & Culture Department	2205-102-(35)-[01] Gandhi Adhyan Kendra Jaipur	₹2000/-	6.30	1.25
4.	28- Medical Education Department	4210-03-105-(14)-[01] Medical College Bikaner	1.74	2.34	7.07
5.	30- Tribal Area Development	2202-01-796-(16)-[01] Education Upgradation of Tribal Class Student	1.90	2.55	2.55
6.		2245-80-796-(01)-[01] Natural & Man-made Disaster	₹2000	67.40	67.40
7.		4210-03-796-(04)-[01] Medical College Bikaner	1.10	1.10	1.70
8.		4215-01-796-(02)-[75] Urban Water Supply Kota-Bundi	₹ 1000	7.69	8.56
9.		4215-01-796-(04)-[08] Jal Jeevan Mission	8.31	0.78	1.95
10.		4215-01-796-(04)-[16] Jal Jeevan Mission Bhinmal	4.99	7.10	2.70
11.		4215-01-796-(04)-[22] Jal Jeevan Mission Tonk	4.99	0.71	1.56
12.	36- Disaster Management & Relief Department	2245-08-101-(01)-[01] Public Health	₹ 2000	100.00	100.00
13.		2245-08-101-(01)-[02] Prevention and Rescue from Fire	₹ 2000	100.00	100.00
14.		2245-08-101-(01)-[03] Drought Prevention and Protection	₹ 2000	100.00	100.00
15.		2245-08-101-(01)-[04] Protection and Prevention from Floods, hailstorm etc.	₹ 2000	135.60	709.40

S. No.	Grant No. and Name of the Department	Head of Account and Name of the New scheme	2022-23	2023-24	2024-25
16.	40- Local Self Government Department	2217-80-192-(55)-[10] Grant for Urban Health and Wellness	52.43	69.24	72.70
17.	45- Forest & Environment Department	3435-03-102-(10)-[01] Sambhar Lake Management Agency	₹ 2000	1.00	1.00
18.		4406-02-110-(16)-[01] Akal Wood Fossil Park	₹ 1000	5.00	5.00
19.	51- Special Component Plan for Welfare of Scheduled Caste	2217-80-191-(50)-[17] Grant for Urban Health & Wellness Centers	5.38	1.97	2.06
20.		2217-80-192-(55)-[11] Grant for Urban Health and Wellness Centre	13.61	17.97	18.87
21.		2245-80-789-(01)-[01] Natural & Man-made Disaster	₹2000	89.15	89.15
22.		3454-02-789-(13)-[01] Rajeev Gandhi Fintech Institute Jodhpur	₹ 2000	2.30	1.80
23.		4215-01-789-(02)-[75] Navnera Water Supply Project Kota-Bundi	₹ 1000	10.14	11.28
24.		4215-01-789-(03)-[08] Cluster Distribution Beawar-Jawaja	11.52	1.03	2.70
25.		4215-01-789-(03)-[12] Chambal-Dholpur-Bharatpur Cluster Project	5.76	0.60	1.80
26.		4215-01-789-(03)-[16] Drinking Water to Bhinmal and 256 Villages	6.91	10.25	3.56
27.		4215-01-789-(03)-[22] Bisalpur-Tonk-Uniara Drinking Water Project	6.91	0.94	2.16
28.		4215-01-789-(03)-[40] Water Supply Project of Bansroadgarh block	1.73	1.00	1.80
29.		4215-01-789-(03)-[44] Barmer Lift Project II Phase	2.74	7.71	1.80
30.	60- Information Technology & Communication Department	5475-800-(08)-[35] Sampark Kendra Operation	₹ 1000	1.80	2.72

Insights:
Since the entire provision remained unutilised, the provision amount itself represents blocked fiscal space.

- FY 2022-23: Approximate cumulative provision across listed heads: ₹ ~130 crore.
- FY 2023-24: Approximate cumulative provision: ₹ ~740 crore
- FY 2024-25: Approximate cumulative provision: ₹ ~1311 crore

The continued non-utilisation of entire budget provisions for three consecutive years across multiple departments indicates systemic deficiencies in scheme planning, implementation readiness and periodic review of dormant heads. The persistence of such heads suggests the need for institutional mechanisms to review, consolidate or discontinue non-performing schemes to enhance fiscal credibility and effective utilisation of public funds.

Selected Grant-wise persistent savings

Audit examination of the records of Grant 41 and 46 revealed that there were 11 schemes having persistent savings (₹ 10 crore and above) during the period 2022-23 to 2024-25 as given in Table below:

Table 2.17: Persistent Savings noticed under various sub-heads under selected grants

(₹ in crore)

S. No.	Name of Head	Savings (percentage of saving against provision)		
		2022-23	2023-24	2024-25
	Grant 41			
1.	2215-02-001-04 Shilp Shala	10.22 (30.34)	15.62(50.51)	12.19(53.21)
2.	4215-01-101-11-10 Re-established Urban Drinking Water Project, Bikaner	5.73 (8.34)	52.34(38.77)	29.94(30.18)
3.	4215-01-102-99-13 Chambal-Bhilwara Cluster Project (NABARD)	125.26 (100)	43.74(96.39)	12.45(90.61)
4.	4215-01-102-99-21 Nagaur Lift Scheme Stage- I	146.43(98.12)	37.68(92.90)	19.52(94.30)
5.	4215-01-102-99-03 Subsidiary Activities of Jal Jeevan Mission (JJM)	88.50(100)	40.00(100)	40.00(100)
6.	4215-01-102-99-18 Scheme for providing of Drinking Water to Bhinmal and 256 Villages	26.50(100)	37.42(100)	13.74(100)
	Grant 46			
7	2401-196-06-20 National Food Security Mission – Pulses	74.14(48.34)	97.30(64.56)	31.85(20.60)
8	2401-196-06-26 National Mission on Agriculture Extension-Agriculture Engineering	19.59(55.25)	25.81(41.99)	34.24(62.93)
9	2401-196-06-37 National Food Security Mission Nutritious Grain	16.21(53.25)	35.58(60.98)	46.22(60.90)
10	2401-800-37-01 Through the Agriculture Department	48.09(78.59)	23.70(38.74)	36.58(53.74)
11	2435-60-800-02-01 Prime Minister Micro Fertilizer Industry Upgradation Scheme(PMFME)	118.72(96.76)	53.22(65.12)	72.61(91.44)

Source: *Detailed Appropriation Accounts*

Agriculture Department stated (December 2025) that persistent savings were mainly due to non-transfer of second instalment of various agricultural schemes and technical problem due to implementation of SNA SPARSH system.

Public Health and Engineering Department stated (December 2025) that persistent savings were due to post remaining vacant, non-issue of required sanctions and work orders, delay in obtaining land, land dispute, revision in budget provision based on the progress of ongoing projects. It was further stated that provisions were made, as per the direction of Finance Department to provide financial support to the Jal Jeevan mission activities, in case RWSSC (executive agency) requires funding for the same.

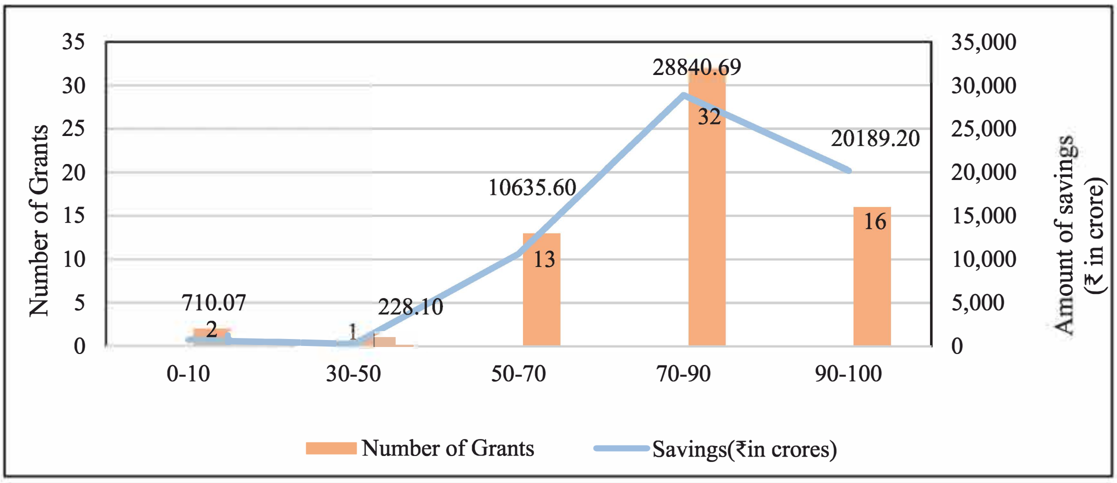
Persistent savings indicate that the Department could not utilise the budgeted funds consistently in respect of these development works/programmes/schemes. This also shows that over assessment of requirement of funds and budget allocations were made without considering the previous year's trends in expenditure.

The Public Accounts Committee (PAC) in its 76th Report (15th Assembly) had recommended that continuous savings in successive years indicates over-estimation of budget without need and lack of proper monitoring. Therefore, efforts should be made by the departments to make budget estimates more realistic in future. Despite these recommendations, the incidences of persistent savings continued during 2024-25.

Utilisation of provision under grants

Details of grants grouped by the percentage of utilisation along with total savings during 2024-25 have been shown in ***Appendix 2.6*** and **Chart 2.4**. Less utilisation indicates less emphasis on that sector as well as deficient budgeting process.

Chart 2.4: Distribution of number of Grants/Appropriations grouped by the percentage of utilisation along with total savings



Source: Appropriation Accounts

During 2024-25, in 16 out of the 64 grants, utilization was less than 70 *per cent* of the budget allocation, which is indicative of issues warranting a close review by the Government to enable initiation of corrective measures.

The main reasons for substantial savings as furnished by the departments were non-commencement of work, less execution of construction work by PWD, non-receipts of administrative and financial sanction for new work, non-starting of work, non-release of third and fourth instalment received from GoI and its proportionate state share, non-transfer of second instalment of Strengthening Teaching and Learning and Results for States schemes in SNA bank account, non-transfer of amount to PD account of Samgrah Shiksha Abhiyan for repairing of school building, non-receipt of the relevant approval from GoI, non-receipts of sanction from State Government, less expenditure on construction work, non-receipts of sanction from State Government under NABARD, slow progress of construction work, delay in the implementation of activities of Crop Insurance schemes and non-receipt of approval from GoI for revised project cost.

Less utilisation in various heads and instances of repeated underutilisation indicates less emphasis on various works as well as deficient budgeting process. The reasons of low utilisation in various grants may be examined and necessary corrective action taken by the Government.

Anticipating savings not surrendered

According to Para 23.16 of the SBM, grants that cannot be properly utilized should be surrendered. It was noticed that savings under 54 Grants and three Appropriations amounting to ₹ 1,543.39 crore (***Appendix 2.7)*** were not surrendered at all which was offset by the excess expenditure of ₹146.23 crore from the other grants/appropriation against savings and thus, the amount not surrendered at the end of year was ₹ 1,397.16 crore. Cases of excess amount surrendered pertaining to 11 grants where ₹ 146.23 crores were surrendered in excess of saving are given in Table below:

Table 2.18: Cases where fund surrendered was in excess of savings

(₹ in crore)

S. No.	Number of Grant	Name of Grant	Original Budget	Supplementary Budget	Total Provision	Actual Expenditure	Saving (-)/ Excess (+)	Amount surrendered	Amount excess surrendered
		Revenue Voted							
1	7	Council of Ministers	21.65	0.60	22.25	19.02	(-) 3.23	3.26	0.03
2	9	Election Department	552.09	0.00	552.09	493.00	(-) 59.09	59.20	0.11
3	17	General Administration Department	339.41	30.90	370.31	343.69	(-) 26.61	26.65	0.04
4	31	Social Justice and Empowerment Department	11685.96	0.00	11685.96	10488.53	(-) 1197.43	1198.54	1.11
5	35	Minority Affairs Department	246.61	0.00	246.61	199.75	(-) 46.85	47.55	0.69
6	44	Public Works Department	2941.36	419.79	3361.15	3178.03	(-) 183.12	220.96	37.85
7	59	Tourism Department	109.91	0.00	109.91	93.76	(-) 16.15	16.26	0.11
8		**Capital Voted**							
	18	Home Department	359.67	18.24	377.91	232.92	(-) 144.99	145.04	0.05
9	42	Water resource and Indira Nahar Project Department	3362.93	0.00	3362.94	2590.47	(-) 772.46	773.36	0.89
10	44	Public Works Department	8173.69	403.69	8577.38	8652.25	(+) 74.86	30.48	105.35
		Total	**27,793.28**	**873.22**	**28,666.51**	**26,291.42**	**(-) 2,524.79**	**2,521.30**	**146.23**

Source: Appropriation Accounts

It can be seen from the data that the excess surrender cases are concentrated in:

- Public Works Department (both Revenue and Capital)
- Water Resources (minor variance)
- Social sector departments (small margins)

This suggests:

- End-of-year expenditure forecasting not aligned with bill booking.
- Possible booking of expenditure after surrender orders.
- Weak coordination between line departments and Finance Department.

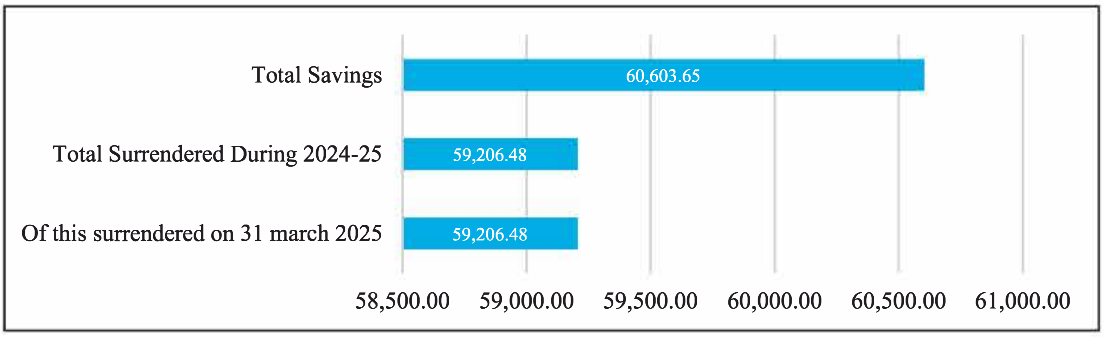
The departments did not furnish reasons for amount surrendered in excess of actual savings (November 2025).

Instances where the amount surrendered exceeded the actual savings indicate inaccuracies in estimation of unspent balances at the time of surrender. Strengthening real-time expenditure reconciliation and ensuring alignment between surrender orders and final booking of expenditure would enhance the accuracy of budget execution and fiscal reporting.

Details of savings and surrenders on the last day of March 2025 is given in ***Chart 2.5.***

Chart 2.5: Savings and surrenders for the year 2024-25

(₹ in crore)



Source: Appropriation Accounts

Analysis of **Chart 2.5** revealed that 97.69 *per cent* of the savings were surrendered. Out of the surrendered amount of ₹ 60,603.65 crore, ₹ 59,206.48 crore (97.69 *per cent)* was surrendered on 31 March 2025. Details of savings (exceeding ₹50 crore in each case) surrendered on the last day of March 2025 is given in ***Appendix2.8***.

Selected Grants where savings were not surrendered fully

During the scrutiny of the Grant 41, it was noticed that in five heads, the savings were not fully surrendered as given in Table below:

Table 2.19: Details of heads where savings were not surrendered

(₹ in crore)

S. No.	Heads	Savings	Amount surrendered	Amount not surrendered
1.	2215-01-101-12 Other Urban Water Supply Schemes-Committed	78.13	73.45	4.68
2.	2215-01-102-01 Other Rural Water Supply Schemes-Committed	68.63	62.98	5.65
3.	4215-01-101-01-02 Other Urban Water Supply Schemes	101.81	101.71	0.10
4.	4215-01-102-03-01 Other Rural Water Supply Schemes	71.30	71.17	0.13
5.	4215-01-102-19 Chambal-Baler-Sawai-Madhopur Water Supply Scheme	8.77	8.38	0.39
	Total	**328.64**	**317.69**	**10.95**

Source: Detailed Appropriation Accounts

Public Health and Engineering Department stated (December 2025) that savings were not surrendered mainly because of non-clearance of ECS of bills by treasuries due to technical reasons.

Early surrender could have ensured more productive use of resources in other areas having shortfall. This indicates that the Department did not make realistic assessments of requirements and the necessary budgetary controls were not exercised over the flow of expenditure through the monthly expenditure statements.

2.5.6 Misclassification between Revenue Expenditure and Capital Expenditure

Rule 338(1) of GF&AR part-I of GoR states that expenditure on temporary assets or grant-in-aid shall not ordinarily be considered as expenditure of a capital nature. In addition, note under Rule 30(1) of Government Accounting Rules (GAR), 1990 of GoI also states that expenditure on a temporary asset or expenditure on Grants-in-aid to local bodies or institutions (for the purpose of creating assets which will belong to these local bodies or institutions) cannot ordinarily be classifiable as capital expenditure, and shall not, except in case specifically authorized by the President on the advice of Comptroller and Auditor General be debited to a capital head of account.

During the financial year 2024-25, the State Government had booked ₹ 931.66 crore as Capital Expenditure. Audit examined sanction orders and expenditure vouchers related to this amount and noticed that expenditure of revenue nature of ₹ 931.66 crore had been booked under Capital Expenditure and these expenditures were towards operation, maintenance, repair and renovation etc. ***(Appendix 2.9)***.

Table 2.20: Department-wise Concentration of Misclassification

Department	Amount (₹ in crore)	% Share
Public Works Department	611.34	**65.6**
SCP for SC Welfare	158.69	17.0
Tribal Area Development (PMGSY)	133.66	14.3
Public Health Engineering	22.77	2.4
Tribal Area Development (Maintenance and Repair)	5.20	0.6

(a) State Government made budget provision of ₹ 20.97 crore under Head 4215-01-101-07-17-Major Construction Work" in Capital Section and booked expenditure of ₹ 22.77 crore related to summer contingency. This shows that the recurring nature of expenditure was booked as capital Expenditure. Finance (Budget) Department stated (May 2025) that after scrutiny necessary corrective steps will be taken in the next year.

(b) State Government made budget provision of ₹ 8.79 crore in under Head 4210-03-796-01-01-72-Modernisation, Strengthening, Renovation and Upgradation" in Capital Section and booked expenditure of ₹ 5.20 crore in capital head instead of Revenue Expenditure head as the work of repair, re-wiring and maintenance work does not increase concrete assets of a material and permanent character as required in rule 30 of Government Accounting Rules 1990.

Finance (Budget) Department stated (May 2025) that budget head is related to modernization, strengthening and upgradation of capital assets which results in durability of existing assets. Therefore, in view of life cycle approach this expenditure is to be booked in capital heads. The department reply is not acceptable as scrutiny of vouchers reveals that expenditure incurred was related to repair and maintenance of Hospital and Medical College buildings and it is chargeable to repairs under rule 11 (47 a) of Public Works Financial and Accounts Rules.

(c) Para 10.71 and 10.72 of 15th Finance Commission Report shows that maintenance grant was recommend for the period 2021-26 for roads constructed under PMGSY to cover the maintenance cost.

During the year, provision of ₹ 903.69 crore was made for construction of roads sponsored from Pradhan Mantri Gram Sadak Yojna (PMGSY) under 5054-04-789-13 (₹158.69 crore), 5054-04-796-16 (₹133.66 crore) and 5054-04-800-22 (₹611.34 crore instead of Revenue Head 3054-Road and Bridges and expenditure of ₹ 903.69 crore was incorrectly booked under these Capital heads instead of Revenue heads as has been determined from the purpose of expenditure.

The Finance (Budget) Department accepted the facts and stated (May 2025) that necessary corrective steps will be taken in the next year.

Fiscal Impact:

Misclassification of ₹ 931.66 crore leads to:

- Overstatement of capital expenditure
- Understatement of revenue expenditure
- Artificial improvement in:
  - Revenue deficit position
  - Capital formation ratios

Thus, incorrect booking in Capital Expenditure instead of Revenue Expenditure was in contravention of the provisions of GAR and GF&AR. Misclassification of Revenue expenditure as Capital expenditure impacts the revenue deficit which is understated to that extent. This affects the accuracy of fiscal indicators and highlights the need for strengthened scrutiny of classification at the time of booking of expenditure.

2.5.7 Major policy pronouncements in budget and their actual funding for ensuring implementation

Several policy initiatives taken up by the Government are wholly or partially not executed due to non-approval of scheme guidelines/modalities, non- commencement of works for want of administrative sanction, non-release of budget, etc. It was observed that under 34 schemes, budget provision of ₹ 1908.13 crore was revised to ₹1,429.64 crore (₹10 crore or more in each scheme) but no expenditure was incurred as shown in ***Appendix 2.10***. Further, under 151 schemes, there was approved outlay of ₹ 5,070.18 crore which was fully withdrawn in revised outlay as shown in ***Appendix 2.11***.

Various reasons given by the Departments in this regard included less expenditure on construction work, cancellation of tender, non-receipt of administrative and financial sanction for construction, non-approval of scheme, non-release of sanction by the State Government, non-execution of work, non-receipt of funds from GoI, non-commencement of schemes, non-allotment of land, non-submission of UCs etc.

Lack of implementation of announcements in budget speech of current as well as previous financial years

While presenting the budget for the year 2024-25, the State Government had announced several schemes/policies. The concerned Departments had intimated (June-September 2025) the current progress on some of these major policy initiatives (2019-24). Audit observed that limited or no progress has been made on these projects/ policy initiatives. Further, on reviewing the progress received from the concerned departments regarding the budget announcements made by the State Government in the previous financial years, it was found that the budget announcements had not been implemented even after the lapse of substantial periods of time. Details regarding status of implementation of budget announcements are given in ***Appendix 2.12.***

Budget pronouncement in selected Grants

Status of implementation of budget announcement pertaining to Grant 41 and 46 are also included in ***Appendix 2.12.*** Budget announcements of Public Health and Engineering Department for the period 2021-23 are still pending till now due to non-grant of permission by Finance Department for issuance of work order pending technical bid evaluation/surveys.

Lack of follow-up action on major announcements of Budget Speech of previous as well as current years is indicative of lack of monitoring and pursuance of initiatives announced during the budget speech.

2.5.8 Non-adherence for the Quarterly Expenditure limit

Maintaining a uniform pace of expenditure is a crucial component of sound public financial management. As per SBM, to assist the Finance Department in the preparation of forecasts for the likely cash balance position of the State, all budget controlling officers are required to furnish a statement every month, as per dates specified by the Finance Department, showing the anticipated flow of revenue and expenditure. Any rush of expenditure in the closing month of the financial year should be avoided. Secretary Finance, GoR had directed (August 2023) that the flow of expenditure should be maintained in such a way that 90 *per cent* of total expenditure is incurred by the end of December, in the absence of which the controlling officer/ DDOs will be held liable.

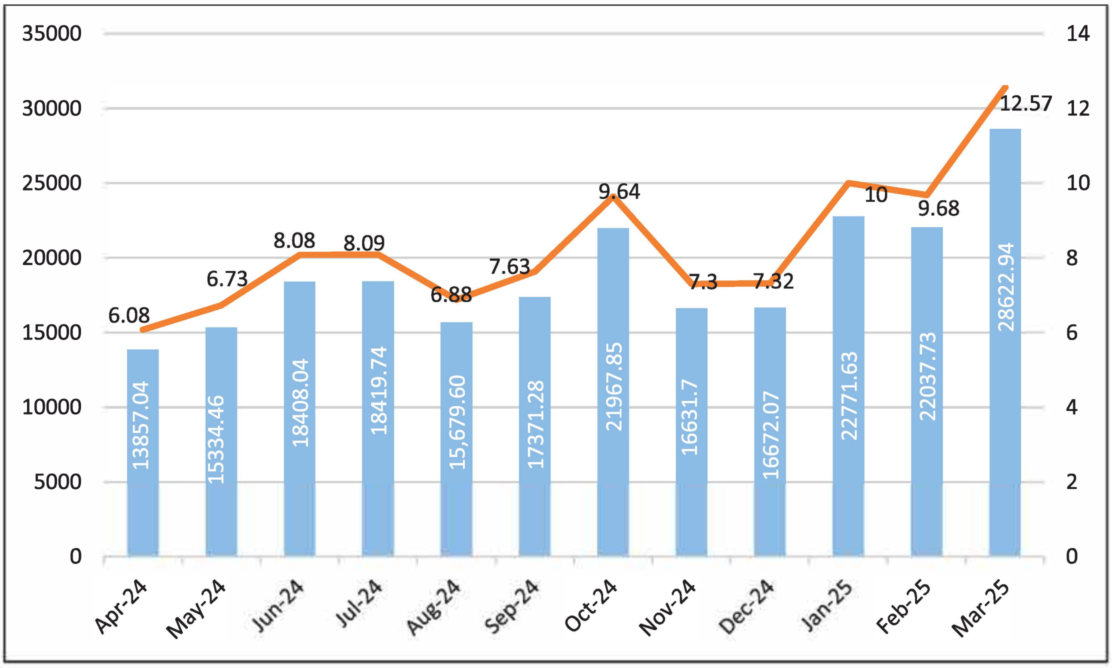
Table 2.21: Rush of Expenditure during Financial Year 2024-25

	Amount (₹ *in crore*)	**Percentage of Total Expenditure in the year**
Last Quarter of the year (Jan to March 2025)	92,548.85	30.83
Last Month of the year (March 2025)	39,605.16	13.19
Last day of the Year (31st March 2025)	3,609.55	1.20

Trend of total Monthly receipts (Revenue Receipts, Capital Receipts and Loans and Advances) and expenditure (Revenue Expenditure, capital expenditure and Loans and Advances) during financial year 2024-25 is shown in **Chart 2.6 and Chart 2.7.**

Chart 2.6: Month-wise Trend analysis of Receipts

(₹ in crore)

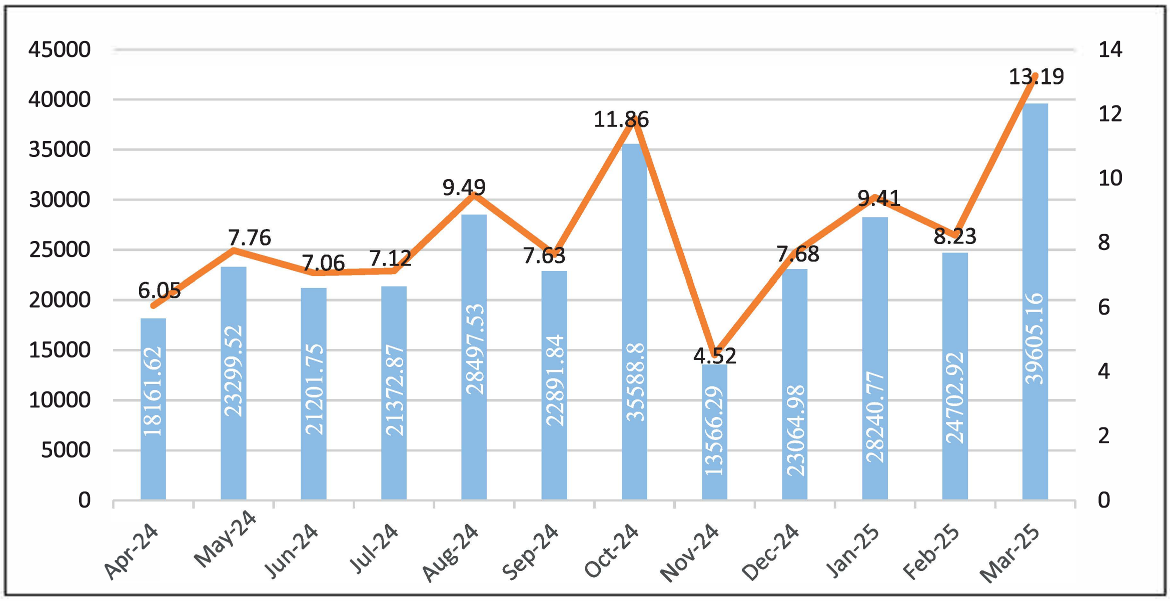


During 2024-25, it was observed that 32.24 *per cent* (₹ 73,432.30 crore) of total receipts (₹ 2,27,774.09 crore) were received during last quarter alone.

The month-wise analysis of receipts reveals a concentration in the last quarter of the financial year, particularly in March, indicating uneven revenue realisation during the year. Such concentration of receipts towards the end of the year may impact the reliability of intra-year revenue projections and the effectiveness of cash management.

Chart 2.7: Month-wise Trend analysis of expenditure

(₹ in crore)



The month-wise trend of expenditure reveals concentration in the last quarter, particularly in March, indicating uneven expenditure pattern during the year. Such concentration may affect the efficiency of cash management and the quality of expenditure monitoring.

Details of 7 Major Heads, where expenditure incurred during the month of March was more than 50 *per cent* of total expenditure, are provided in Table below:

Table 2.22: Major Heads with more than 50 *per cent* expenditure in March during 2024-25

(₹ in crore)

S. No.	Head of Account	Description	Ist Quarter	IInd Quarter	IIIrd Quarter	IVth Quarter	Expenditure in March	Total	% of 4th quarter w.r.t. total expenditure	% or March w.r.t total expenditure
1	2403	Animal Husbandry	352.95	901.11	609.44	844.72	1393.08	2708.21	31.19	51.44
2	3054	Roads & Bridges	-6.78	275.60	81.14	2871.43	2327.79	3221.39	89.14	72.26
3	4055	Capital Outlay on Police	0.00	21.13	77.51	-3.88	87.74	94.76	-	92.59
4	4801	Capital Outlay on Power Projects	0.00	0.00	0.00	170.00	170.00	170.00	100.00	100.00
5	4851	Capital Outlay on Village and Small Industries	0.00	0.00	0.00	1.09	1.09	1.09	100.00	99.98
6	5452	Capital Outlay on Tourism	0.00	-0.37	0.30	4.54	2.88	4.46	101.62	64.49
7	6408	Loans for Food Storage and Ware Housing	0.00	0.00	0.00	65.59	56.64	65.59	100.00	86.36
		Total	**346.17**	**1197.47**	**768.39**	**3953.48**	**4039.23**	**6265.51**	**63.10**	**64.47**

Source: Information provided by Accountant General (A&E) office.

Further entire expenditure of ₹ 941.72 crore in 23 sub-heads was incurred in the month of March 2025 alone (***Appendix 2.13***).

The data suggests:

- Capital heads are heavily concentrated in year-end booking.
- Expenditure pacing does not align with quarterly distribution.
- Possible clearance of pending bills in March.
- Limited adherence to expenditure control guidelines requiring even phasing.

Maintaining a steady pace of expenditure is a crucial component of sound public financial management as it prevents fiscal imbalances and temporary cash crunches. The State Government has prescribed quarter-wise percentages (1st Quarter- 30 *per cent*; 2nd Quarter- 30 *per cent*; 3rd Quarter-30 *per cent*; 4th Quarter-10 *per cent*) for incurring expenditure during the year, with the aim of regulating the expenditure in a phased manner. As per Appropriation accounts, during 2024-25, in respect of 64 grants, total expenditure of ₹ 1,27,934.07 crore was incurred in the last quarter of the financial year which was 28.23 *per cent* of total expenditure (₹ 4,53,066.25 crore) and ₹ 51,153.41 crore (11.29 *per cent*) was spent in March 2025 alone. The quarterly details of expenditures incurred across all Grants are shown in the ***Appendix 2.14.***

The analysis of receipts and expenditure during 2024-25 indicates non-adherence to the prescribed quarterly expenditure norms. Although the Finance Department had directed that *90 per cent* of expenditure should be incurred by the end of December, 30.83 *per cent* of total expenditure (₹ 92,548.85 crore) was incurred in the last quarter, with 13.19 *per cent* (₹ 39,605.16 crore) spent in March alone, including ₹ 3,609.55 crore on the last day of the year. Receipts also showed similar concentration, with 32.24 *per cen*t realised in the last quarter. The month-wise trend reflects pronounced year-end convergence of revenue and expenditure, indicating uneven pacing of fiscal operations during the year.

The concentration was more evident in capital heads, where more than 50 *per cent* of annual expenditure under certain major heads was incurred in March, and ₹ 941.72 crore across 23 sub-heads was entirely spent in that month. Detailed scrutiny of selected grants revealed expenditure ranging from 40 to 94 *per cent* in the last quarter. The reasons cited by departments-late issue of revised provisions, delayed bill submission and procedural constraints point to weaknesses in intra-year planning and monitoring. The pattern suggests the need for strengthening quarterly reviews, timely budget adjustments and alignment of financial releases with physical progress to ensure balanced and efficient fiscal management.

Selected Grant-wise rush of expenditure analysis

In Grant 41 (Public Health and Engineering Department) during 2024-25, in three schemes under the grant expenditure incurred in last quarter ranged between 44 to 94 *per cent* of total expenditure indicating that a uniform pace of expenditure could not be maintained during the year.

Details of three schemes, where expenditure incurred during last quarter was more than 40 *per cent* of total expenditure, are provided in Table below:

Table 2.23: Schemes with more than 40 *per cent* expenditure in last quarter during 2024-25

(₹ in crore)

S. No.	Description	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Total	Percentage of 4th quarter to total
1	4215-01-101-11 Accelerated urban water supply scheme	76.89	91.58	221.81	302.80	693.08	44
2	4215-01-102-01 Accelerated rural water supply scheme	2.03	2.48	2.89	113.30	120.70	94
3	4215-01-102-79 Nagaur Lift Canal Phase-II (Rural)	29.64	18.45	18.26	44.81	111.16	40

Source: Information provided by Accountant General (A&E) office.

Public Health and Engineering Department stated (December 2025) that the State Government provided the revised budget provisions for each schemes only in the month in which the financial year ends. Due to this, during the last three months of the financial year, pending bills and regular bills in the divisional offices were paid in the absence of an earlier budget. Therefore, maximum expenditure occurred in the month in which the financial year ended. Further, most of the bills have also been submitted by contractors in the last quarter of financial year. The explanation that revised budget provisions were issued towards the end of the financial year does not adequately justify the high concentration of expenditure in the last quarter. Effective budget management requires timely reassessment and phased release of funds aligned with physical progress of works. Payment of accumulated bills in the final quarter indicates deficiencies in expenditure planning and monitoring during earlier quarters.

Further, submission of majority of contractor bills in the last quarter reflects weak enforcement of milestone-based billing and inadequate financial oversight. The concentration of up to 94 *per cent* expenditure in the last quarter under certain schemes suggests uneven expenditure management and calls for strengthening of intra-year budgeting and monitoring mechanisms.

Similarly, during 2024-25, in six schemes under the Grant 46-(Agriculture Department), expenditure in last quarter ranged between 34 to 100 *per cent* of total expenditure indicating that a uniform pace of expenditure could not be maintained during the year. Details of such schemes are provided in Table below:

Table 2.24: Schemes where more than 30 *per cent* expenditure incurred in last quarter during 2024-25

(₹ in crore)

S. No.	Description	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Total	% of 4th quarter/ total
1.	2401-00-109-16 National Mission on Agriculture Extension and Technology	6.62	3.39	2.89	18.71	31.61	59.19
2.	2401-196-06 District Level Agriculture Schemes	4.41	42.59	50.10	219.78	316.90	69.35
3.	2401-800-27 Rashtriya Krishi Vikas Yojana (S.C.A)	3.59	2.39	0.54	24.25	30.77	78.81
4.	2401-800-37 Pradhanmantri Krishi Sinchai Yojana	9.36	0.00	0.00	22.13	31.49	70.28
5.	2415-01-277-01 Agriculture Education in Universities	68.59	79.07	72.45	115.53	335.65	34.42
6.	6408-02-190-01 Construction of Godowns	0.00	0.00	0.00	65.59	65.59	100

Source: Information provided by Accountant General (A&E) office.

Agriculture Department stated (December 2025) that rush of expenditure was due to submission of bills by the concerned institutions/executing agencies in the last months of the year, tender process completion in last month, financial approval of work received in last month and due to technical problems in the new income expenditure system because of which the pace of expenditure was initially slow, resulting in higher expenditure in the last month.

2.6 Implementation of Selected CSS Schemes in the State

Ministry of Finance, Government of India, mandated (March 2021) release of funds under each Centrally Sponsored Scheme (CSS) through a Single Nodal Agency (SNA) for each CSS, and monitoring their utilisation. Each SNA must have a dedicated bank account in an authorised Scheduled Commercial Bank. The State Government is required to transfer the Central Share received to the concerned SNA's account, along with the corresponding State share. The State Government shall transfer the Central share as well as the commensurate State share to the SNA account within 30 days of receipt of Central share. Finance Department, GoR intimated (29 August 2022) that SNA bank accounts of all CSS schemes had been opened in the State and these schemes has also been linked on PFMS portal.

The State Government received ₹ 12,265.55 crore being Central share during the year in its Treasury account. State Government transferred of ₹ 27,280.40 crore {Central share of ₹ 13,923.76 crore (this includes funds received during 2023-24) and State share of ₹ 13,356.64 crore} to the SNAs. With regard to the PFMS data (as on 31.03.2025), the following were observed:

- State Government received an amount of ₹ 2,606.27 crore in March 2025, out of which ₹ 2,444.83 crore was not transferred to bank accounts of SNA up to 31 March 2025.
- An unspent balance of ₹ 3,407.10 crore is lying in the bank account of SNA of 76 schemes as detailed in ***Appendix 2.15***, these balances were to be refunded to the Government Account concerned. The retention of such a substantial amount in SNA bank accounts without refund to the concerned Government Account may affect timely release of funds in 2025-26.
- As per the SNA report from the PFMS-SNA, the State Government received ₹ 179.26 crore as grant-in-aid kind (commodity) under schemes "Flexible pool for RCH & Health System Strengthening, National Health Programme and National Urban Health Mission".
- Detailed vouchers and supporting documents of actual expenditure was not received by the Principal Accountant General Office from the SNAs.

To bring about more efficiency in cash management at both Centre and States level, GoI, decided (July 2023) to introduce fund flow mechanism named SNA-SPARSH (Real time System of Integrated Quick Transfers) for CSS funds through an integrated framework of PFMS, State IFMS and e-kuber platform of RBI. Under this, the State Government was to designate a Single Nodal Agency (SNA) for implementing each State Linked Scheme (SLS) corresponding to CSS.

Ministry of Finance, GoI had notified (21 May 2024 and 04 October 2024) 28 CSSs schemes to be implemented through SNA SPRSH w.e.f. 1st June 2024 and GoI has also decided 37 additional CSS will be implemented through SNA SPARSH in all States and UTs with Legislature w.e.f. 1st July 2025. Further, GoI also decided that all CSS schemes shall be implemented through SNA SPARSH in all States and UTs with legislature w.e.f. 1st November 2025.

With regard to the PFMS data (as on 31.03.2025), the following were observed:

- In the series of on boarding of schemes on SNA SPARSH in phased manner 6 schemes (21 June 2024), 15 schemes (28 June 2024) and 4 schemes (14 October 2024) were approved by State Government in compliance of GoI instruction.
- As per Ministry of Finance, Government of India's letter dated 09 August 2024, State would be eligible for an incentive of ₹ 250 crore for on-boarding at least five Centrally Sponsored Schemes on the SNA SPARSH model by 31 January 2025 after integration of State Integrated Financial Management System (IFMS) with PFMS and RBI's e-Kuber system.
- During the year 2024-25 State Government received an incentive amount of ₹ 500.00 crore for on-boarding 28 Centrally Sponsored Schemes on the SNA SPARSH model.
- As on March 31, 2025, Government of Rajasthan has on-boarded 28 Centrally Sponsored Schemes, having 70 State Linked Scheme (SLS).

Table 2.25: Details of five highest expenditure CSS schemes during the year

(₹ in crore)

S. No.	Name of Department	Name of Schemes	Amount Release by GoI	Central Share released by State Government	State Share as per funding pattern	State share released	Total releases	Expenditure
1.	School Education and Literacy	Samagra Shiksha	3093.05	2981.32	2060.43	9563.48	12544.80	12544.80
2.	Health and Family Welfare	Flexible Pool for RCH & Health System Strengthening, National Health Programme and National Urban Health Mission	1584.59	1944.10	1056.39	1677.78	3621.88	3621.88
3.	Rural Development	Mahatma Gandhi National Rural Guarantee Program	1370.76	2016.88	427.78	592.99	2609.87	2609.87
4.	School Education and Literacy	Pradhan Mantri Poshan Shakti Nirman (Erstwhile National Programme of Mid-Day Meal in Schools)	597.87	600.92	398.58	475.09	1076.01	1076.01
5.	Ministry of Housing and Urban Affairs	Urban Rejuvenation Mission-Cities	386.17	439.43	386.17	567.49	1006.93	1006.93

Analysis of above schemes, it was noticed that:

- Out of above five CSS schemes, only one scheme "Mahatma Gandhi National Rural Guarantee Program" has been on-boarded on SNA SPARSH model.
- Under this scheme out of five State Link Schemes (SLS) only two SLS schemes "MGNREGA-Material RJ and MGNERGA-Administration" has been linked with SNA SPARSH.
- An amount of ₹ 436.35 crore[1] was lying in SNA accounts of above five CSS schemes.

1. (i) Samagra Shiksha: ₹147.60 crore; (ii) Flexible Pool for RCH & Health System Strengthening, National Health Programme and National Urban Health Mission: ₹ 19.18 crore; (iii) Mahatama Gandhi National Rural Guarantee Program: ₹ 16.22 crore; (iv) Pradhan Mantri Poshan Shakti Nirman (Erstwhile National Programme of Mid Day Meal in Schools): ₹ 14.48 crore and (v) Urban Rejuvenation Mission-Cities: ₹ 238.87 crore.

The five highest expenditure centrally sponsored schemes were fully utilised during 2024-25. However, in several schemes, the State share released exceeded the share prescribed under the funding pattern, indicating the need for reconciliation of funding components and closer monitoring of central and State contributions to ensure adherence to approved norms and accurate fiscal reporting.

2.7 Child Budget

Child budgeting represents the State Government's commitment on child-focused schemes, programmes, and policies from the overall budget of a fiscal year. The State Government declared Women and Child Development Department as the Nodal Department for preparation of Child Budget Statement. The first Child Budget was presented in FY 2020-21.

The State Government allocated ₹46,889.78 crore (8.96 *per cent* of the total State Budget) for the Child Specific Schemes in Budget for the year 2024-25, which was 18.13 *per cent* higher than the previous year (₹39,693.08 crore) child budget. The quantum of funds allocated under Child Budget during 2024-25 and expenditure incurred is given in Table below**:**

Table 2.26: Child Budget provision and expenditure during 2024-25

(₹ in crore)

Budget Estimates	Expenditure	Percentage utilisation of BE
₹46,889.78	₹38,925.35	83.01

Source: As per Budget and Detailed Appropriation Account for 2024-25

It was revealed from the above table that during the year 85.15 *per cent* of Budget Estimates was utilised for 174 schemes/programs under 18 Departments against the budget provision of ₹ 46,889.78 crore. Further analysis revealed that:

(i) Against the budget provision of ₹ 2,795.93 crore made in 37 (out of 174) schemes of the 11 Departments[2] only ₹612.45 crore was utilised in 20 schemes ranged between 0.78 to 34.69 *per cent*, while in 17 schemes there was nil expenditure as detailed in ***Appendix 2.16.***

(ii) The State Government made token provision in 31 (out of 174) schemes and without augmentation of provision the entire provision was surrendered and provision were not made in 9 schemes.

Unnecessary provisions in 7 schemes of the five Departments were being made for the last two/three years, and the entire provisions were surrendered at the end of the financial year as detailed in Table below:

2. Minorities department, Tribal area development department, Child Empowerment department, Persons with Disabilities department, Family Welfare Department, Department of Elementary Education, Women Empowerment department, Secondary Education department, Mid-Day Meal Rajasthan, Integrated Child development department and Social Justice & Empowerment department.

Table 2.27: Details of Unutilised Provision during last two/three years

(₹ in crore)

S. No.	Name of Department	Scheme Name	2024-25	2023-24	2022-23
1.	Minorities Department (58)	Kali Bai Bheel Brilliant Girls Student Scooty Scheme (2822)	12.61	13.95	–
2.	Child Empowerment Department (259)	Operation of Child Home/Cretch (2543)	1.45	1.45	1.74
3.	Department of Elementary Education (29)	Financial help for educational upgradation of tribal class students in Sahariya Region (3029)	2.55	2.55	–
4.	Department of Secondary Education (13)	Personality development programme (3063)	5.00	5.00	–
5.		Financial assistance to students of Sahariya region (3025)	1.40	1.40	1.75
6.	Social Justice & Empowerment Department (43)	Kali Bai Bheel Brilliant Girls Student Scooty Scheme (2822)	50.00	11.56	–
7.		Bicycle Distribution Scheme for Hostellers (2541)	2.74	0.50	1.80

Above table shows that the schemes were not executed during the last two to three years by the concerned departments despite availability of Budget. This indicates lack of implementation at the level of the concerned department. Further, reasons for not executing the schemes were not intimated by the department.

Child Development Department intimated (June 2025) that less expenditure was due to non-receipt of grant from Government of India. Commissioner Mid-Day Meal, Rajasthan Jaipur intimated (June 2025) that less expenditure was due to non-release of funds by the Finance Department. Directorate, Special Abled Department intimated (October 2025) that less utilisation was due to less receipt of applications and non-receipts of demand of budget by the institutions. Reasons for less/nil expenditure in other schemes are awaited from the various Departments (September 2025).

Less/nil expenditure under various schemes for welfare of children shows lack of proper monitoring by Women and Child Development Department (Nodal Department) and laxity on the part of Departments in implementing the schemes. Further, provision not made under various schemes and amount not provided for augmentation of token provision also indicates laxity at the level of the department and monitoring lapses at the level of nodal department and Finance department for implementation of Child Budget.

Major schemes where funds remained unutilised were:

- Scholarships
- Tribal education
- Girl child incentives
- Anganwadi infrastructure
- Nutrition programmes
- Welfare of SC/ST/OBC/EBC categories

The overall utilisation of only 21.91 *per cent* under the selected welfare and education schemes indicates significant deficiencies in planning, implementation readiness and intra-year monitoring. The presence of multiple schemes with nil expenditure suggests the need for rationalisation of dormant heads, timely review of implementation bottlenecks and alignment of budget provisions with actual execution capacity to ensure effective delivery of social sector benefits.

2.8 Gender Budget

The Gender Responsive Budgeting is an instrument that ensure equitable allocation of public resources with the objective of fulfilment of need of specific gender groups of the State is part of the overall budget and is intended for the welfare of women and Girls. One of the objectives of Gender Budgeting is consolidation of the Schemes on the State Budget that facilitate gender-based analysis. Gender budgeting in the State is regulated as per provisions contained in the State Budget Manual (SBM) which provides that in order to prepare the annual Gender Budget Statement, Budget Controlling officers of specified departments are required to provide information in the format as prescribed in the budget circular issued by the Finance Department.

The State Government has designated Women Empowerment Department as the Nodal Department for preparation of Gender Budget Statement. The categories of schemes in the Gender Budget are given below:

A	Schemes under which provision made for women is more than 70 *per cent.*
B	Schemes under which provision made for women is less than 70 *per cent.*

During 2024-25, there were 538 schemes/ programs consisting of 104 ‘A’ category schemes and 434 ‘B’ category schemes under Gender Budget benefitting 13.46 crore women/ girls. The State Government allocated ₹ 54,015.36 crore towards Gender Budget which was 10.32 *percent* of the total State Budget[3] in 2024-25. This was 39.65 *per cent* higher than the Budget provision (₹ 38,679.43 crore) made for 2023-24.

Year-wise allocation and expenditure under Gender Budget for the period 2019-20 to 2024-25 in respect of 104 Category A and 434 Category B schemes is shown in the Table below.

Table 2.28: Year-wise position of BE and Actuals of Gender Budgeting

(₹ in crore)

S. No.	Year	Total Budget provision in schemes included in Gender Budget	Provision for women in such schemes of Gender Budget	Actual Expenditure in the schemes	Percentage of expenditure
1.	2019-20	37,415.03	18,928.78	15,700.39	82.94
2.	2020-21	28,595.68	14,481.66	15,202.61	104.98
3.	2021-22	35,730.36	18,198.64	18,155.67	99.77
4.	2022-23	69,851.91	33,745.11	28,630.92	84.84
5.	2023-24	76,614.07	38,679.43	33,812.88	87.42
6.	2024-25	1,15,890.09	54,015.36	47,181.27*	87.35

Source: Budget documents and department replies.

* *Expenditure of schemes under Local Self Governance not intimated by the department*

Audit scrutiny revealed that during the year 2024-25, from the entire universe of 538 schemes, nil expenditure has been incurred in 16 Schemes by 9 Departments against

3. ₹5,23,305.80 crore (Appropriation Accounts)

budget allotment of ₹ 153.65 crore under Category A and in 80 Schemes by 32 Departments against budget allotment of ₹ 1008.43 crore under Category B.

The absence of expenditure under several schemes included in the Gender Budget Statement, despite budgetary provision of ₹ 1,162.08 crore, indicates deficiencies in implementation planning and monitoring of gender-focused programmes. The nil utilisation under both Category A and Category B schemes suggests that the Gender Budget framework requires strengthening to ensure that allocations translate into actual expenditure and intended benefits to women.

Details of schemes under Gender Budget having nil expenditure against the budget allocation by various Departments is given in ***Appendix 2.17.*** Audit also observed that though the State Government made token provision in 47 Schemes by 22 Departments, however, the entire provision was surrendered. This indicates that the number of schemes shown to be implemented under Gender Budget are not actually implemented by the concerned departments due to non-availability of fund.

It was also noticed that State Government made total budget provision of ₹ 2,003.18 crore under various schemes and reduced this to ₹ 96.97 crore (provision for women ₹1,112.87 crore also reduced to that extent) in the revised budget estimates as given in ***Appendix 2.18.*** It was further noticed that unnecessary provision for 30 Schemes of the 21 Departments were being made during the last two/ three years which was surrendered at the end of the financial year, as detailed in ***Appendix 2.19.***

Concerned departments intimated (June-July 2025) that less/non utilisation of gender budget was due to less/non-receipts of fund from GoI, restriction for repair and maintenance of Hostels by GoR, less expenditure incurred by PWD, non-receipts of financial sanctions from GoI, less receipt of sanction for construction work by Finance Department, non-receipt of Financial and Administrative sanction from government and cancellation of tender and late receipt of fund for construction work etc.

This reflects lack of implementation of the schemes by the implementing Departments and deficient monitoring by Finance Department as well as the nodal department.

Further scrutiny of records revealed that as per order dated 28 August 2009 of Administrative Reforms (Section-3) Department (GoR) constituted (August 2009) a High-Level Committee (HLC) under the chairmanship of the Chief Secretary for timely examination, review and provide suggestions to make the budget gender sensitive and gender oriented of the various departments. This committee was constituted as a permanent committee and was required to meet at least once in two months. During the scrutiny of records, it is found that no meeting of the HLC was held during the years 2020-21 to 2024-25. It was also observed that HLC for monitoring of gender budget schemes was dissolved in June 2024. This will adversely impact the implementation of gender sensitive Schemes.

The State Government allocated ₹ 54,015.36 crore under the Gender Budget in 2024-25 (10.32 *per cent* of the total State Budget) with overall utilisation of 87.35 *per cent*; however, detailed scrutiny showed that 96 schemes involving ₹ 1,162.08 crore recorded nil expenditure, 47 schemes with token provisions were fully surrendered, and substantial reductions were made at the revised estimate stage. The continued presence of such provisions, coupled with the non-functioning and subsequent dissolution of the High-Level Committee for gender budgeting oversight, indicates weak alignment between allocation and implementation readiness, thereby affecting the effectiveness of gender-responsive budgeting.

2.9 Contingency Fund

In exercise of the powers conferred by Section 4 of the Rajasthan Contingency Fund Act, 1956, the State Government made the Rajasthan Contingency Fund Rules, 1957 for regulating all matters connected with or ancillary to the custody of, payment of monies into, and the withdrawal of monies from, the Contingency Fund of the State of Rajasthan. The Contingency Fund of the State of Rajasthan has a corpus of ₹ 1,000 crore. During the year, there was no transaction from the Contingency Fund. As on 31 March 2025, Contingency Fund has balance of ₹ 1,000 crore.

2.10 Conclusion

Against the total budget provision of ₹ 5,23,305.80 crore department incurred an expenditure of ₹ 4,62,702.16 crore during 2024-25 resulting in overall savings of ₹ 60,603.64 crore which stood 11.58 *per cent* of total grants and appropriation. This shows poor financial management by the State.

During 2024-25, supplementary grants of ₹ 8,409.73 crore (₹ 10 crore & more in each case) provided in 21 instances unnecessary as the expenditure did not come upto the level of original provision, indicating that supplementary grants were provided in an adhoc manner. Further, in respect of 13 grants, supplementary provision aggregating ₹ 8,663.31 crore proved excessive by ₹ 2,496.10 crore. Cases of excessive/unnecessary supplementary provisions indicate that the Departments did not make realistic assessment of requirement and budget controlling officers did not exercise necessary budgetary control over the flow of expenditure through the monthly expenditure.

There was misclassification of ₹ 931.66 crore towards revenue expenditure as capital expenditure.

During the year, in 13 cases re-appropriations proved insufficient/excessive/ injudicious. Cases of insufficient/excessive or unnecessary re-appropriation reflected that budget controlling officers did not adequately assess the requirement of funds in heads of accounts under their control.

There was persistent saving in 26 grants during the last three years 2022-2025, indicating lack of systemic and monitoring at the level of the Government.

During 2024-25, there was excess over provision in one grant amounting of ₹ 74.86 crore. In addition, excess expenditure amounting to ₹ 21,147.34 crore pertaining to the year 2022-2023 to 2023-2024, are pending for regularisation.

Huge expenditure incurred in the last month/last quarter of the year was indicative of weak internal controls over expenditure/receipts and lack of budgetary control/ management.

2.11 Good Practices

The good aspects of budgetary management of the State Government are given below:

- Submission of all the Re-appropriation orders and Surrender orders before closing of the financial year.

- Surrender of most of the savings before the end of the year.

2.12 Recommendations

- Finance Department may ensure that Budget Estimates are prepared on the basis of realistic expenditure trends, committed liabilities and implementation readiness of schemes.
- Finance Department may scrutinise proposals for supplementary grants more rigorously to avoid provisions that are likely to remain unutilised.
- Budget Controlling Officers may ensure that re-appropriation orders are based on updated expenditure data and realistic assessment of savings and additional requirements.
- All excess expenditures may be placed before the Legislature for regularisation in a time-bound manner in accordance with Article 205 of the Constitution.
- Departments may institute periodic review mechanisms to identify and discontinue dormant or non-performing budget heads.
- Timely and accurate explanations for variations between budget and actuals may be furnished to the Accountant General to strengthen legislative oversight.
- The Government may consider strengthening internal monitoring and expenditure forecasting systems to improve budget credibility and reduce recurring savings.